

CHAPTER 364

HUMAN SERVICES - SOCIAL SERVICES

HOUSE BILL 22-1360

BY REPRESENTATIVE(S) Titone and Baisley, Bennett, Bacon, Boesenecker, Herod, Hooton, Jodeh, Lindsay, Mullica, Valdez D.;
also SENATOR(S) Kolker, Bridges, Jaquez Lewis.

AN ACT

CONCERNING AUTHORIZING THE DEPARTMENT OF HUMAN SERVICES TO RETAIN A PERCENTAGE OF THE FEDERAL CHILD SUPPORT INCENTIVE PAYMENTS THE STATE RECEIVES.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. Legislative declaration. (1) The general assembly finds that:

(a) The Colorado child support services program works with parents and caretakers to ensure all Colorado children get the financial support they need to thrive;

(b) Counties, in partnership with the state, employ a number of strategies to help secure consistent child support payments for families. These efforts result in the federal government providing incentive payments to the counties to reinvest in the efficient administration of the child support services program.

(c) It is Colorado's obligation to invest in and improve technological systems that county departments of human or social services rely on to ensure timely, accurate, and consistent benefits for Coloradans in need. The system, known as the automated child support enforcement system (ACSES), supports child support workers in efficiently administering the child support services program on behalf of the state and is in need of technological enhancements and upgrades.

(2) Therefore, the general assembly declares that, without supplanting state financial resources for ACSES, this act creates an option, but not a requirement, to invest county incentive payments to support minor improvements to ACSES if agreed to by the counties. This act is not meant to replace a future significant investment in any overhauls of the ACSES that may need to occur nor is it meant

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

to create a precedent that funding otherwise designated for counties be used to improve the technology system for the child support services program or any other programs.

SECTION 2. In Colorado Revised Statutes, **amend with relocated provisions** 26-13-112.5 as follows:

26-13-112.5. Child support incentive payments - report - repeal. (1) ~~IN~~ FROM federal fiscal year 2000 ~~and each federal fiscal year thereafter~~ THROUGH FEDERAL FISCAL YEAR 2023, one hundred percent of the federal incentives received by the state shall be passed through to the county departments. ~~The state board shall promulgate rules specifying performance measures pursuant to which incentives shall be distributed to the county departments.~~

(2) BEGINNING IN FEDERAL FISCAL YEAR 2024, AND EACH FEDERAL FISCAL YEAR THEREAFTER, THE DECISION ABOUT WHETHER THE STATE MAY RETAIN A PERCENTAGE OF THE FEDERAL INCENTIVES THE STATE RECEIVES FOR THE PURPOSES OF INFORMATION TECHNOLOGY ENHANCEMENTS TO THE AUTOMATED CHILD SUPPORT ENFORCEMENT SYSTEM AND HOW TO USE THE RETAINED AMOUNT SHALL BE DETERMINED IN ACCORDANCE WITH THE RULES PROMULGATED PURSUANT TO SUBSECTION (3) OF THIS SECTION. THE PERCENTAGE IS CALCULATED BY DETERMINING THE INCREASE IN INCENTIVES RECEIVED IN FEDERAL FISCAL YEAR 2024 OVER AND ABOVE THE BASE AMOUNT. THE BASE AMOUNT IS EQUAL TO THE AVERAGE OF THE INCENTIVES RECEIVED IN FEDERAL FISCAL YEARS 2018 THROUGH 2022. ANY FEDERAL INCENTIVES NOT RETAINED BY THE STATE SHALL BE PASSED THROUGH TO THE COUNTY DEPARTMENTS.

(3) THE STATE BOARD SHALL PROMULGATE RULES:

(a) SPECIFYING PERFORMANCE MEASURES IN WHICH INCENTIVES SHALL BE DISTRIBUTED TO THE COUNTY DEPARTMENTS; AND

(b) IMPLEMENTING A PROCESS BY WHICH A STATEWIDE ASSOCIATION OF COUNTY HUMAN SERVICE DIRECTORS AND THE STATE DEPARTMENT DETERMINE WHETHER TO RETAIN A PERCENTAGE OF THE FEDERAL INCENTIVES AND DETERMINE HOW THE INCENTIVES ARE INVESTED.

~~(2)~~ (4) A county DEPARTMENT to which a payment is made pursuant to this section shall expend the full amount of the payment to supplement, and not supplant, other funds used by the county department for any of the following purposes:

(a) To carry out the approved state plan; or

(b) For any activity, including cost-effective contracts, approved by the state division of child support enforcement, whether or not the expenditures for the activity are eligible for federal reimbursement, that may contribute to improving the effectiveness or efficiency of the child support program.

~~(3)~~ (5) If federal incentives paid to any county department are greater than ~~its~~ THE COUNTY DEPARTMENT'S share of child support administrative costs, then that county

department shall demonstrate how the federal incentive money is expended and contributes to the program as defined in ~~paragraph (b) of subsection (2)~~ SUBSECTION (4)(b) of this section.

~~(4)~~ (6) All federal and state incentives paid to ~~counties~~ COUNTY DEPARTMENTS pursuant to section 26-13-108 shall be divided and distributed to the county departments according to the distribution formula as promulgated in state rule by the state board. ~~to be promulgated no later than January 1, 2000.~~

~~(5)~~ (7) The state department shall pay incentives to county departments on a quarterly basis.

(8) BEGINNING JULY 1, 2025, AND EACH YEAR THEREAFTER, THE STATE DEPARTMENT SHALL REPORT ON EACH PROJECT FUNDED BY THE FEDERAL INCENTIVE MONEY THE STATE RETAINED PURSUANT TO SUBSECTION (2) OF THIS SECTION TO THE JOINT TECHNOLOGY COMMITTEE OF THE GENERAL ASSEMBLY.

~~(6) This section shall take effect January 1, 2000.~~

SECTION 3. Act subject to petition - effective date. This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2022 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Approved: June 3, 2022